

Op-922F1C  
6 October 1954

**MEMORANDUM**

**From:** Navy Member, Watch Committee  
**To:** Chairman, Watch Committee

**Subj:** Funding Arrangements for the National Indications Center

1. The new Department of Defense policy provides that where possible it is preferable that one Service budget for a joint activity. Navy, in line with this policy, recently budgeted for the JEAG in its entirety for FY 1956.
2. In response to a verbal request by the Chairman, Watch Committee the Navy Member submits the following proposal for funding arrangements for the National Indications Center:
  - a. The cost of establishing the National Indications Center (NIC) and the operating costs, excluding the salaries of civilian personnel for the remainder of FY 1955 should be borne by one agency.
  - b. One agency should budget for the total operating cost for FY 1956 and the years thereafter.

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